(b) the rural youth in the State to be trained under the schmes during the next three years; and

(c) the details of steps being taken by Government to achieve the targets in this regard?

THE MINISTER OF RURAL DEVELOPMENT (SHRI SHANTA KUMAR): (a) to (c) The Ministry of Rural Development is implementing the Swarnjayanti Gram Swarozgar Yojana (SGSY) under which skill and entrepreneurship development training is being imparted to Swarozgaris for taking up income generating activities.

While no specific targets are being determined for training of rural youth, this is a continuing activity. The details of total rural poor trained under the SGSY during the last three years in Assam are as under:—

Year	Number of Swarozgaris trained under the SGSY
1999-2000	3386
2000-2001	17567
2001-2002	35658
Total	**56611**

Phase-III power reforms

*251. SHRI SURESH PACHOURI: Will the Miniser of POWER be pleased to state:

(a) whether Government have initiated Phase-III of reforms in power sector;

(b) if so, the details thereof;

(c) whether it is a fact that the achievements made under Phase-I and Phase-II of Power Sector Reforms were negligible; and

(d) if so, the details thereof?

THE MINISTER OF POWER (SHRI SURESH PRABHU): (a) to (d) The reforms in Power Sector were initiated in 1991 with opening of generation for private sector investment. Despite initial enthusiasm, private

investment in generation could not be sustained due to the poor financial health of the State Electricity Boards (SEBs) who are not able to pay for the power purchased by them. In the decade of the nineties, the annual losses of the SEBs were increaing rapidly with widening gap between cost of supply and revenue.

The Ministry of Power, after wide ranging consultations with all the stakeholders namely State Governments, State Electricity Boards, utilities, Experts, trade unions, private investors and political leaders, has evolved a new, comprehensive and detailed Action-Plan for turning around the power sector.

The Chief Minister/Power Minister's conference held in March 2001 recognized that the real challenge of power sector reform lies in distribution and resolved, *inter alia*, that commercial viability has to be achieved in distribution in 2-3 years through any or all of the following:

— Creating Profit centres with full accountability
— Handing over of local distribution to Panchayats/Local Bodies/ Franchisees/Users' Associations, wherever necessary
— Privatisation of distribution
— Or any other means
— an effective programme for identifying and eliminating power thefts in next two years.

The Government of India has been signing Memoranda of Understanding (MoU)/ Agreements with States reflecting the joint commitment of the Centre and the State to undertake reforms in a time-bound manner. These require the States to set up SERCs, undertake energy audit through full metering, reduce transmission and distribution losses and attain commercial viability. In reciprocation to the efforts of the States to achieve agreed milestones, the Central Government has committed assistance including allocation of additional power from unallocated share from Central Generating Stations, funds under specific programmes/schemes etc. The MoUs are now being fleshed out into Memoranda of Agreements (MoAs) with clearer and more specific milstones as the reform programme in the State is acquiring concrete shape. 22 States have been covered by this exercise till now.

The Accelerated Power Development and Reform Programme (APDRP) is designed to finance specific projects in identified distribution circles for a quick turnaround and creation of centres of excellence. Initially 63 circles have been taken up for development as centres of excellence on the basis of well designed Detailed Project Reports (DPRs) The programme is being extended to cover concentrated loads and towns with population of over 1 lakh where work on peparing DPRs has been initiated. The base line data of DPRs is crucial for evaluating the results of the programme which is aimed at improving quality of supply as well as controlling theft and improving the financial health of the sector. This programme also includes an incentive scheme aiming at actual cash loss reduction by SEBs/Utilities. Under this scheme there is provision for grants by the Ministry of Power to SEBs/Utilities for actual cash loss reduction.

The Government of India (GOI) had set up an Expoert Group under Shri Montek Singh Ahluwalia to suggest, *inter alia,* the one time settlement of the dues owed by State Electricity Boards (SEBs) to Central Public Sector Undertakings (CPSUs). Recommendations made by the Expert Group under Shri Montek Singh Ahluwalia have been accepted. The scheme provides that 60%of the interest/surcharge on the delayed payments as on 30.9.2001 would be waived and the rest of the dues would be securitised through tax-free bonds issued by the respective States Governments. There would also be incentives to the States for timely payment of current dues. With the Securitisation of past dues by the State Governments and the creation of the discipline of full payment for current supplies, the raising of the requisite resources from the market for the ambitious capacity addition programme of the CPSUs would become feasible. The State Governments can also use this to give their power utilities clean balance sheets to enable them to fully access markets for funds to finance their investment programmes.

The Ministry of Power has after consultations with all the stakeholders namely State Governments, State Electricity Boards, utilities, experts, trade unions, private investors and political leaders prepared a draft of an All Party Declaration of a Common Minimum Programme on Power, which has been circulated.

The Central Electricity Authority has estimated the requirement for an additional capacity addition of 1,00,000 MW for attaining the objective of power for all by 2012. For the Tenth Plan a capacity addition programme

of approximately 41,000 MW has been targetted. With close monitoring from the beginning, the capacity addition targetted for the Tenth Plan is expected to be achieved. Renovation and Modernization of the existing plants is being given priority. With other measures for:

reducing technical losses in distribution under the tightly focussed APDRP programme;

demands side management through energy efficiency and energy conservation; and

improvement in capacities for inter-regional transfer of power through creation of the National Grid,

the country is expected to achieve a satisfactory level in availability of power.

Rural electrification has now been included under Prime Minister's Gramodaya Yojana (PMGY) from the year 2001-02 as a Basic Minimum Service. Electrification of all villages by 2007 and provision of access to all households by 2012 has been accepted as a national goal. The budget for the year 2002-03 provides for introduction of a new interest subsidy scheme called the Accelerated Rural Electrification Programme with an outlay of Rs. 164 crore. This would enable States to give the rural electrification programme greater momentum by accessing funds liberally from the REC and the Rural Infrastructure Development Funds (RIDF).

The forward-looking, reform-oriented Electricity Bill 2001 has been introduced in Parliament. The Bill, *Inter-alia*, contains stringent provisions for penalty in case of power thefts. The Bill also includes provisions for reduction of cross subsidies, and for payment of subsidies upfront by the State Government to the State Power Utilities where such subsidies are considered unavoidable.

It is expected that the action plan outlined in the preceding paragraphs would lead to improvement in the operational and financial performance of the State Electricity Boards/Utilities with restoration of commerical viability in a few years.

Private sector participation in defence production

*252. SHRI K. NATWAR SINGH: Will the Minister of DEFENCE be pleased to state:

(a) whether Government's decision to open the defence sector for private investment has got a poor response;